STATE OF RHODE ISLAND AND PROVIDENCE PLANTATIONS PUBLIC UTILITIES COMMISSION

IN RE: NEW ENGLAND DIVISION :

OF SOUTHERN UNION COMPANY : DOCKET NO. 3401

RATE FILING :

ORDER

On February 4, 2002, the United Steel Workers of America, Local 12431 ("Local 12431") filed a motion to intervene in Commission Docket No. 3401. Local 12431 stated that it is a labor union recognized pursuant to federal labor relations laws to represent certain employees of the New England Division of Southern Union Company ("Southern Union"). Local 12431 noted that the "terms of the tariff filed with the Commission in November 2001" by Southern Union would make "changes in wages, hours and working conditions" of the members of Local 12431. As a result, Commission action in Docket No. 3401 could affect the rights and responsibilities of Local 12431. Local 12431 also explained that it did not intervene by the December 24, 2001 deadline because it only became aware of the rate filing's impact on its interests after that date. However, Local 12431 indicated that if intervention were granted, it anticipated no requests for delays in the procedural schedule established by the Commission for this docket.

On February 11, 2002, Southern Union filed an objection to Local 12431's motion to intervene. First, Southern Union argued that Local 12431 failed to demonstrate a right or interest to intervene because the Division of Public Utilities and Carriers ("Division") will review Southern

Union's proposed rates in order to evaluate whether they are just and reasonable and "to protect the interests of customers." Second, Southern Union maintained that Local 12431 failed to set out facts or grounds for its intervention. Third, Southern Union argued that Local 12431 did not show good cause to intervene late. Lastly, Southern Union contended that it is not in the public interest to allow Local 12431 to intervene since the public interest will be adquately protected by the Division.

Commission Findings

At an open meeting on February 15, 2002, the Commission reviewed the pleadings and unanimously voted to allow Local 12431 to intervene in Docket No. 3401 pursuant to Rule 1.3 of the Commission's Rules of Practice and Procedure. The Commission finds that Local 12431 is "directly affected" by this rate case because the wages, benefits and employment of the members of Local 12431 will be affected by the rates set by the Commission in this docket. In addition, Local 12431's interests may not be adequately represented by the Division, because the Division and Local 12431 could have fundamentally different perspectives or positions in this docket. For instance, Local 12431 could focus on reducing non-personnel costs while seeking to maintain current personnel costs. The Division, on the other hand, could advocate for a reduction in personnel costs, which could have a significant impact on Local 12431 members employed by Southern Union.

It is also in the public interest to allow Local 12431 to intervene because it can raise issues in this docket relating to the provision of safe and reliable gas service to Southern Union's customers. Although the Division may raise similar issues, the members of Local 12431 will undoubtedly have greater expertise regarding the provision of safe and reliable gas service. Lastly, the Commission finds that although this is a late intervention, Local 12431 has good cause. The deadline for intervention was December 24, 2001, but the current work stoppage affecting members of Local 12431 began at the expiration of its contract with Southern Union on January 20, 2002. Accordingly, Local 12431 had adequate justification to wait and see whether a new contract with Southern Union would be negotiated prior to intervening in Docket No. 3401.

Accordingly, it is

(16925) ORDERED:

- The motion to intervene in this docket filed by United Steel Workers of America, Local 12431 is hereby granted.
- 2. United Steel Workers of America, Local 12431 is bound by the procedural schedule established in this docket.

EFFECTIVE AT WARWICK, RHODE ISLAND ON FEBRUARY 15, 2002 PURSUANT TO AN OPEN MEETING DECISION. WRITTEN ORDER ISSUED FEBRUARY 25, 2002.

| PUBLIC UTILITIES COMMISSION |
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| Elia Germani, Chairman |
| Kate F. Racine, Commissioner |
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| Brenda K. Gaynor, Commissioner |